

February 23rd, 1959.

COCOM Document No. 3405B

COORDINATING COMMITTEE

4262532

RECORD OF STATEMENT BY THE UNITED STATES DELEGATEON

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TWO PROPOSED ITALIAN EXPORTS OF BEARINGS TO CZECHOSLOVAKIA AND THE SOVIET UNION.12th February, 1959

Present: Belgium(Luxembourg), Canada, Denmark, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM Documents Nos. 3360, 3361, 3370 and 3371.

The Delegate stated that when these exceptions had last been discussed on the 26th and 29th January, his Delegation were awaiting answers from the Italian Delegation to the questions contained in paragraphs 2 of COCOM Documents Nos. 3370 and 3371. Since then the Italian Government had transmitted answers directly to the United States authorities, who were duly grateful. For the Committee's record the following information had been supplied:

(1) Bearings for the Soviet Union

The Italian authorities had confirmed that the dimensions for the bearings to the Soviet Union given in COCOM Document No. 3360 were correct. As to the additional details requested on their end-use in the event the bearings were intended for use in a rolling mill, the Italian authorities had explained that they could be used in a four-high reversing rolling mill of the Mesta type or more precisely on the necks of back-up rolls.

(2) Bearings for Czechoslovakia

With regard to the bearings for Czechoslovakia, the Italian Government had confirmed that they were spherical roller bearings and not thrust ball bearings as stated in COCOM Document No. 3361. They also stated that their unit price was about \$465. Regarding the United States Government's assumption that the stated end-use meant that the bearings would be used for draw works in drilling for petroleum, the Italian Government had explained that they could be used in a rotary oil drilling rig.

The United States authorities had carefully studied these exceptions proposals in light of the original information given and that provided later by the Italian authorities. They had weighed the contention that these bearings were destined for purely civilian end-uses against the fact that bearings of this sort were predominately used in combat vessels (for example large submarines and cruisers) as well as in radar mountings and gun turret mounts. The Committee could not accept at face value the end-use assurances of the countries to which these bearings would be shipped. They saw no guarantee that the end-use would be civilian. Because these bearings could be diverted to highly strategic uses, and because such diversion would not be inconsequential from a security point of view, the United States authorities were compelled to object to these de minimis proposals. Furthermore, in their opinion, the strategic nature of these bearings, and the absence of extenuating circumstances in favour of the exports, would preclude their favourable consideration of the proposal on an ad hoc basis.